



STATE OF IOWA

CHESTER J. CULVER, GOVERNOR
PATTY JUDGE, LT. GOVERNOR

DEPARTMENT OF HUMAN SERVICES
EUGENE I. GESSOW, DIRECTOR

February 13, 2009

MANUAL LETTER NO. 7-D-7

ISSUED BY: Bureau of Financial and Work Supports,
Division of Financial, Health and Work Supports

SUBJECT: Resources of Victims of the 2008 Summer Storms and Floods

This manual letter extends provisions of a waiver of federal regulations regarding countable resources for households affected by the 2008 summer storms and floods. For disaster victims, use the instructions of this manual letter in place of anything to the contrary in the current manual for all applications, recertifications, and reported changes processed from February 1, 2009, through July 31, 2009. This is an extension of the waiver that was originally approved through January 31, 2009.

Private Insurance Payments and Unoccupied Damaged Homes

Legal Reference: 7 Code of Federal Regulations 273.8

Exclude the following from countable resources of disaster victims:

- ◆ Private insurance payments for damage or destruction of property that a household is holding while awaiting repair or replacement.
- ◆ Unoccupied damaged homes that the household has not yet made a decision to repair, abandon, or that are under consideration for a Federal Emergency Management Agency (FEMA) buyout.

Many Food Assistance clients have received insurance payments to cover their losses from the storms. However, widespread destruction has caused a lengthy wait for contractors to bid for repairs. As a result, clients may have liquid resources that are intended for the repair of the property. Under regular program rules, these resources could make the household ineligible.

Current regulations exclude damaged property that a household intends to re-occupy. This waiver extends the exclusion to cover a damaged home whose future disposition is uncertain.

Implementation of this waiver also alleviates the burden on eligibility workers of trying to determine whether these funds are from exempted flood insurance payments. Under this waiver, all insurance payments are excluded.

Effective Date

This waiver is retroactive to February 1, 2009.

Implement these policies for any actions on applications, recertifications, and reported changes through July 31, 2009. For any household certified under these policies, regular rules must be applied for any recertification or reported change after July 31, 2009.

Material Superseded

Remove Manual Letter 7-D-6, dated November 14, 2008, from Employees' Manual, Title 7, Chapter D, and destroy it.

Additional Information

Refer questions about this manual letter to your area income maintenance administrator.